

Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 COME-00 RSC-01 /021 W

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P 162250Z JAN 75

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 5416

UNCLAS SECTION 1 OF 2 OTTAWA 0183

POUCHED ALL CONGENS CANADA

E.O. 11652: N/A

TAGS: BEXP, CA

SUBJECT: FY 1976 COUNTRY COMMERCIAL PROGRAM

REF: A. STATE 005312; B. STATE A-9016; C. USIA CIRCULAR 26445

1. EMBASSY AND COMMERCIALY STAFFED CONSULATES GENERAL HAVE REVIEWED FY 75 CCP AND PROPOSE FOR FY 76: DROPPING CAMPAIGNS NO. 1 MINI-MARKET SURVEYS, NO.3 AMERICAN WINES, NO. 4 IN-STORE PROMOTION, NO.5 REVERSE INVESTMENT, AND NO.6 BIOMEDICAL EQUIPMENT FROM CAMPAIGN STATUS; RETAINING CAMPAIGNS NO.2 POLLUTION CONTROL EQUIPMENT AND SYSTEMS AND NO.7 MATERIALS AND EQUIPMENT FOR CONSTRUCTION INDUSTRY; AND CONSIDERING ADDITION OF UP TO SEVEN PRODUCT CAMPAIGNS AS LISTED BELOW. WE PROPOSE RETAINING ESSENCE OF CAMPAIGNS NO.3 AND NO.5 IN CCP AS OTHER PRIORITY ACTIVITIES, ALONG WITH VIST USA, AND REPORTING MAJOR PROJECT LEADS AND TARGETS OF OPPORTUNITY.

2. RATIONALE FOR DROPPING WINES FROM CAMPAIGN STATUS IS LONG-TERM NATURE OF EFFORT AND DIFFICULTY OF SETTING REALISTIC ACCOMPLISHMENT GOALS; BUT INITIAL SUCCESSES DURING 1974, I.A., IN OBTAINING ADDITIONAL LISTINGS IN ONTRAIO, ALBERTA, MANITOBA AND NOVA SCOTIA WARRANT CONTINUED PRIORITY ATTENTION TO THIS EXPORT PROMOTION. (WE ASSUME CANADIAN UNCLASSIFIED

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PROVINCIAL LIQUOR CONTROL BOARDS WILL BE ONE OF

U.S. NEGOTIATORS' NTB TARGETS IN MTNS, ALTHOUGH
FEDERAL/PROVINCIAL INTERFACE IN THIS AREA PRESENTS
FORMIDABLE OBSTACLE TO SUCCESS.) VANCOUVER IN-STORE
PROMOTION IS DEAD LETTER FOR REASONS STATED IN
NOVEMBER 12, 1974 LETTER FROM MELLOR TO FERNANDEZ.
RATIONALE IN CASE OF REVERSE INVESTMENT IS CONTAINED
IN STATE A-7029, SEPTEMBER 10, 1974, WHICH STRESSES
PRIMARILY SUPPORTIVE ROLE OF COMMERCE AND FOREIGN
SERVICE FOR STATE AND LOCAL DEVELOPMENT AGENCIES IN
THEIR EFFORTS TO ATTRACT FOREIGN INVESTMENT. S FOR
BIO-MEDICAL EQUIPMENT, U.S. FIRMS ALREADY WELL
REPRESENTED IN CANADA, THERE IS CLOSE IDENTIFICATION
BETWEEN CANADIAN AND U.S. MEDICAL PROFESSION AND
FORMER IS AWARE OF NEW DEVELOPMENTS IN U.S. SEE
ALSO TORONTO A-40 OF DECEMBER 30, 1974.

3. NINE SUGGESTED PRODUCT CAMPAIGNS FROM WHICH
SELECTIONS FOR FY 76 CCP CAN BE MADE ARE, ACCORDINGLY:

A. MATERIALS AND EQUIPMENT FOR CONSTRUCTION INDUSTRY:
PROJECT MANAGER: E. TOLMAN, MONTREAL, JOHN BARCAS,
VANCOUVER.

PROJECT STATEMENT: FY-75 EXPERIENCE INDICATES THIS
CATEGORY SHOULD CONTINUE TO YIELD TRADE OPPORTUNITIES
DURING FY-76. ALTHOUGH CANADIAN CONSTRUCTION INDUSTRY
CURRENTLY IS DEPRESSED, NOVEMBER 19, 1974 REMOVAL OF
12PERCENT FEDERAL SALES TAX ON CONSTRUCTION EQUIPMENT
EXCEEDING VALUE OF \$1,000 PER UNIT AND REDUCTION OF
FEDERAL SALES TAX ON BUILDING MATERIALS TO 5PERCENT SHOULD
BENEFIT IMPORTS FROM U.S. ALONG WITH DOMESTIC
EQUIPMENT AND MATERIALS WHEN INDUSTRY EVENTUALLY
REGAINS MOMENTUM.

OBJECTIVES: 1 - DEVELOP 21 TOS.
2. - EXPOSE 25 U.S. FIRMS TO NEW CUSTOMERS.
3. PROMOTE THE SIGNATURE OF 15 AGENCY AGREEMENTS.

ACTIVITIES: 1ST QUARTER: REVIEW AND EVALUATE
PROCEDURES FOLLOWED IN FY-75 TO DEVELOP TOS, MAKE
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NECESSARY AMENDMENTS, PREPARE NEW CONTACT LETTER IF
NECESSARY AND INITIATE/CONTINUE MAILING.
2ND QUARTER: SUBMIT 7 TOS.
3RD QUARTER: SUBMIT 7 TOS.
4TH QUARTER: SUBMIT 7 TOS.
ALL OF FOREGOING BY MONTREAL. VANCOUVER CURRENTLY
MAKING SURVEY TO DETERMINE WHETHER TO LAUNCH CAMPAIGN
TO PROMOTE FOREIGN BUYER ATTENDANCE AT CHICAGO

INTERNATIONAL BUILDING EXPOSITION, OCTOBER, 1975.

B. PRINTING AND GRAPHIC ARTS EQUIPMENT:

PROJECT MANAGER: E. TOLMAN, MONTREAL V J. BARCAS,
VANCOUVER; J. CANTEWELL, TORONTO.

PROJECT STATEMENT: U.S. EXPORTS TO CANADA IN THIS
CATEGORY INCREASED 34PERCENT FROM 1971 TO \$43 MILLION IN
1973. THIS CAMPAIGN WOULD ATTEMPT TO FURTHER INCREASE
U.S. EXPORTS TO THE CANADIAN MARKET.

OBJECTIVES: - DEVELOP 9 TOS.

2 - EXPOSE 25 U.S. FIRMS TO NEW CUSTOMERS.

3. PROMOTE THE SIGNATURE OF 9 AGENCY AGREEMENTS.

ACTIVITIES: 1ST QUARTER: DEVELOP LIST OF PROSPECTS
TO BE CONTACTED, PREPARE LETTERS AND INITIATE MAILING.

2ND QUARTER: SUBMIT 3 TOS.

3RD QUARTER: SUBMIT 3 TOS.

4TH QUARTER: SUBMIT 3 TOS.

ALL OF FOREGOING BY MONTREAL. VANCOUVER MAY
CONTRIBUTE TO TO TARGETS. TORONTO PROPOSES USDOC
CONSIDERATION OF JEEP AT TRIENNIAL CANADIAN GRAPHIC
ARTS SHOW IN MAY, 196 AT TORONTO. BY DIRECT EXHIBIT

AND THROUGH AGENTS, U.S. FIRMS WILL MAKE LARGE
SHOWING OF U.S. EQUIPMENT. JEEP MIGHT COMPRISE
SIX TO TWELVE NEW-TO-EXPORT OF NEW-TO-MARKET FIRMS
DEALING IN SUBSPECIALTIES.

C. ELECTRONIC COMPONENTS:

PROJECT MANAGER: E. TOLMAN, MONTREAL

PROJECT STATEMENT: U.S. EXPORTS TO CANADA IN THIS
SECTOR ARE HIGH AND INCREASED 55PERCENT FROM 1971 TO \$96
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MILLION IN 1973. THIS CAMPAIGN MIGHT FURTHER INCREASE
U.S. SHARE OF MARKET.

OBJECTIVES: 1 - DEVELOP 9 TOS.

2 - EXPOSE 25 U.S. FIRMS TO NEW CUSTOMERS.

3 - PROMOTE SIGNATURE OF 9 NEW AGENCY AGREEMENTS.

ACTIVITIES: 1ST QUARTER: DEVELOP LISTING OF PROSPECTS
TO BE CONTACTED, DRAFT AND REPRODUCE LETTERS, INITIATE
MAILING.

2ND QUARTER: SUBMIT 3 TOS.

3RD QUARTER: SUBMIT 3 TOS.

4TH QUARTER: SUBMIT 3 TOS.

D - METAL WORKING AND FINISHING MACHINERY AND EQUIPMENT:

PROJECT MANAGER: E. TOLMAN, MONTREAL; J. BARCAS, VANCOUVER.
PROJECT STATEMENT: U.S. EXPORTS TO CANADA TOTALED \$172
MILLION IN 1973, UP 18PERCENT OVER 1972 AND 43PERCENT OVER
1971. THIS CAMPAIGN SHOULD GIVE FURTHER EXPOSURE TO U.S.
PRODUCTS AND MIGHT INCREASE OUR SHARE OF THE MARKET.
OBJECTIVES: 1. DEVELOP 30 TO 35 TOS (MONTREAL 21, VANCOUVER 10
TO 15).
2. EXPOSE 25 U.S. FIRMS TO NEW CUSTOMERS.
3. PROMOTE THE SIGNATURE OF 15 NEW AGENCY AGREEMENTS.

ACTIVITIES: 1ST QUARTER: DEVELOP LISTING OF LIKELY
PROSPECTS, DRAFT AND REPRODUCE LETTERS, INITIATE
MAILING.

2ND QUARTER: MONTREAL SUBMIT 7 TOS, VANCOUVER 4

3RD QUARTER: MONTREAL SUBMIT 7 TOS, VANCOUVER 4

4TH QUARTER: MONTREAL SUBMIT 7 TOS, VANCOUVER 4

E - PROCESS CONTROL INSTRUMENTATION:

PROJECT MANAGER: E. TOLMAN, MONTREAL.

PROJECT STATEMENT: U.S. EXPORTS TO CANADA IN THIS
SECTOR WERE VALUED AT \$83 MILLION IN 1973, AN INCREASE
OF 22PERCENT OVER 1972 AND 32PERCENT OVER 1971. PRODUCTS IN
THIS SECTOR EXPECTED TO BE IN CONTINUING DEMAND IN
FY-1976, AND FURTHER EXPOSURE SHOULD INCREASE THE
U.S. SHARE OF THE CANADIAN MARKET.

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ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 COME-00 RSC-01 /021 W

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P 162250Z JAN 75

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 5417

UNCLAS SECTION 2 OF 2 OTTAWA 0183

OBJECTIVES: 1-DEVELOP 6 TOS.

2-EXPOSE 25 U.S. FIRMS TO NEW CUSTOMERS.

3-PROMOTE THE SIGNATURE OF 6 NEW AGENCY AGREEMENTS.

ACTIVITIES: 1ST QUARTER: DEVELOP CONTACT LIST, DRAFT AND REPRODUCE
LETTER, INITIATE MAILING. 2ND QUARTER: SUBMIT 2 TOS. 3RD QUARTER:
SUBMIT 2 TOS. 4TH QUARTER: SUBMIT 2 TOS.

F. AVIATION ELECTRONICS AND GROUND SUPPORT EQUIPMENT: PROJECT MANAGER: H.A. LAGASSE, MONTREAL. PROJECT STATEMENT: U.S. EXPORTS TO CANADA HAVE DECREASED 24 PERCENT FROM 1971 TO 1973 (\$29 MILLION TO \$22 MILLION), AND 52 PERCENT FROM 1969 TO 1973, WITH ALL PRODUCT SECTORS BUT ONE REGISTERING A SHARP DECLINE. THIS CAMPAIGN SHOULD ESTABLISH WHETHER GREATER EXPOSURE OF U.S. PRODUCT LINES WILL HELP REVERSE THIS DOWNWARD TREND.

OBJECTIVES: 1-EXPOSE U.S. PRODUCTS TO CANADIAN MARKET.

2-DEVELOP 6 TOS (FOR MONTREAL).

3-PROMOTE THE SIGNATURE OF 6 NEW AGENCY AGREEMENTS.

ACTIVITIES: 1ST QUARTER: DEVELOP LIST OF PROSPECTS TO BE CONTACTED, PREPARE LETTERS AND INITIATE MAILING. 2ND QUARTER: PREPARE 2 TOS.

3RD QUARTER: PREPARE 2 TOS. 4TH QUARTER: PREPARE 2 TOS.

G-BUSINESS EFFICIENCY, SECURITY AND INVENTORY CONTROL EQUIPMENT: PROJECT MANAGER: J. CANTWELL, TORONTO; J. BARCAS, VANCOUVER.

PROJECT STATEMENT: EMBRACES THREE INDIVIDUAL PRODUCT AREAS THAT FREQUENTLY INVOLVE THE SAME END USERS. CAMPAIGN TARGETS WOULD BE PUBLIC SAFETY AGENCIES, HBANKS, RETAIL CHAIN STORE OPERATIONS, AND OTHER ENTERPRISES WITH WAREHOUSING OPERATIONS REQUIRING CONTROL AND PROTECTION. OBJECTIVES: WE BELIEVE PRIME ACTIVITY IN CANADA IN FY 1976 SHOULD BE RESEARCH AND CONTACT BUILDING, WITH POSSIBILITY OF DEVELOPING SOME QUALITY TOS.

H-POLLUTION CONTROL EQUIPMENT: PROJECT MANAGER: J. CANTWELL, TORONTO. PROJECT STATEMENT: THIS THEME WILL BE TOPICAL WELL INTO UNCLASSIFIED

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THE FUTURE, AS GOVERNMENTAL REGULATION IS FORCING GROWING ATTENTION TO POLLUTION MEASUREMENT AND CONTROL. OBJECTIVES: CONSIDER BRINGING LATEST DEVELOPMENTS IN ADVANCED U.S. TECHNOLOGY TO ATTENTION OF CANADIAN INDUSTRY VIA TECHNICAL SEMINARS.

ACTIVITIES: CONSIDER USDOC TECHNICAL TRADE MISSION VISITING SEVERAL CANADIAN CITIES. PROJECT MANAGER COULD DRAW ON EMBASSY'S SCIENCE ATTACHE FOR PLANNING AND IMPLEMENTING ADVICE AND ASSISTANCE.

I-FOOD PROCESSING AND PACKAGING EQUIPMENT: PROJECT MANAGER: J. BARCAS, VANCOUVER. PROJECT STATEMENT: IN BEHALF OF USDOC, CG TORONTO HAS CONTRACTED CANADA SECTION OF GLOBAL MARKET SURVEY. ASSUMING PRODUCT OF THIS SURVEY WILL SOON BE AVAILABLE, CG VANCOUVER BELIEVES VIABLE CAMPAIGN MIGHT BE CONDUCTED.

OBJECTIVES: 1-DEVELOP 10 TO 15 QUALITY TOS.

2-PROMOTE ATTENDANCE FROM WESTERN CANADA AT NATIONAL EXHIBITION FOR FOOD PROCESSING IN SAN FRANCISCO JANUARY 1976.

4. WHILE WE HAVE SUGGESTED "OTHER PRIORITY ACTIVITY" STATUS FOR AMERICAN WINES, REVERSE INVESTMENT, VISIT USA, MAJOR PROJECT LEADS, AND TARGETS OF OPPORTUNITY, WE ARE NEVERTHELESS PREPARED TO CONSIDER WITH STATE AND COMMERCE POSSIBILITY OF CONVERTING OR RECONVERTING ONE OR MORE OF THESE INTO CAMPAIGNS. PROBLEM OF QUANTIFYING REALISTIC TARGETS HOWEVER IS PARTICULARLY ACUTE FOR THESE ACTIVITIES. IN ANY CASE EMBASSY EXPECTS, FOR EXAMPLE, TO CONTINUE ITS EFFORTS TO ASSIST PROMOTION OF AMERICAN WINES (AND

BEERS) IN CANADA. (DURING FIRST TWO QUARTERS OF FY-75 CCP, HOWEVER, EMBASSY HAD TO DEVOTE CONSIDERABLE RESOURCES TO UNPLANNED AND ESSENTIALLY UNPRODUCTIVE ACTIVITY OF ANALYZING, REPORTING AND HELPING MARSHAL USG AND INDUSTRY OPPOSITION TO PROPOSED REGULATIONS OF CONSUMER AND CORPORATE AFFAIRS DEPARTMENT ON APPELLATIONS OF ORIGIN.) WE NOTE ALSO THAT ALL POSTS IN CANADA WILL BE EXPECTED TO PROVIDE REACTIVE BACKUP ASSISTANCE FOR PROGRAM WHICH USTS IS MOUNTING IN ITS PRIME MARKET OF CANADA. IN THIS CONNECTION EMBASSY WISHES TO REMIND STATE/COMMERCE OF HUGE WORKLOAD AT EMBASSY AND ALL CGS OF ANSWERING TOURIST/CUSTOMS INQUIRIES, AS DETAILED TO WASHINGTON REPS DURING OTTAWA COMMERCIAL OFFICERS' CONFERENCE IN JANUARY 1974 AND FSL COMMERCIAL TRAINING SEMINAR IN WASHINGTON ALSO LAST JANUARY.

5. WE RECOGNIZE FOREGOING DOES NOT PROVIDE COMPLETE AND DETAILED ADHERENCE TO CAMPAIGN WORKSHEET FORMAT. BASIC REASON FOR THIS IS STATED IN PROGRAM DESCRIPTION OF FY-75 CCP AND FOUND ALSO IN UNCLASSIFIED

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SPECIAL CIRCUMSTANCES WHEREIN CANADA AND U.S. COMPRISE ONE NORTH AMERICAN MARKET. WE EXPECT WITHIN NEXT TWO MONTHS, HOWEVER, TO AUGMENT CAMPAIGN DATA BY PROVIDING ADDITIONAL SPECIFIC QUANTITATIVE TARGETS FOR TORONTO AND VANCOUVER, AS WELL AS ESTIMATED RESOURCES REQUIRED FOR EACH CAMPAIGN.

6. WE BELIEVE FY-76 MAY BRING INCREASED NUMBERS OF ADS AND WTDR REQUESTS AND LARGER NUMBER OF GENERAL INQUIRIES FROM U.S. AS A CONSEQUENCE OF U.S. RECESSION AND NEW AND RENEWED ATTENTION TO CANADA AS A MARKET FOR U.S. FIRMS HAVING PROBLEMS FINDING CUSTOMERS AT HOME. ACROSS THE BOARD, WE CAN ANTICIPATE PERHAPS A GROWING DEMAND ON POSTS IN CANADA FOR REACTIVE SERVICES.

7. IMPORTANT FEATURE OF FOREGOING CAMPAIGN SUGGESTIONS IS (CONTINUED) DECENTRALIZATION OF RESPONSIBILITY IN RECOGNITION OF DISTANCES AND REGIONAL DIFFERENCES. NEVERTHELESS, WE EXPECT FIVE CONSULAR POSTS WHICH ARE NOT COMMERCIALY STAFFED TO CONTINUE TO SUPPORT EMBASSY AND PROXIMATE COMMERCIALY STAFFED POSTS IN CARRYING OUT CCP.

8. WE BELIEVE NINE CAMPAIGNS OUTLINED ABOVE TO BE A MAXIMUM AMBITIOUS PROGRAM WHICH PROBABLY SHOULD BE CUT BACK TO REFLECT THE REALITIES OF ROUTINE NON-CAMPAIGN WORKLOADS, EMERGENT WORKLOADS, AND OTHER DRAINS ON PERSONNEL RESOURCES.

9. FINALLY, EMBASSY RECOMMENDS THAT MARCH OR APRIL VISIT OF STATE-COMMERCE TEAM TO OTTAWA BE PLANNED, AND FUNDED BY WASHINGTON, TO INCLUDE PARTICIPATION OF SENIOR COMMERCIAL REPRESENTATIVES FROM AT LEAST MONTREAL AND TORONTO. IDEALLY, VANCOUVER ALSO SHOULD BE REPRESENTED.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 16 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975OTTAWA00183
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750017-0936
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750146/aaaabonu.tel
Line Count: 331
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 STATE 005312, 75 STATE A-9016, 75 USIA CIRCULAR 26445
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 30 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 APR 2003 by SilvaL0>; APPROVED <25 Nov 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FY 1976 COUNTRY COMMERCIAL PROGRAM
TAGS: BEXP, CA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006